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UNIVERSAL CONGRESS ON THE PANAMA CANAL

Letter dated 27 September 1996 from the Permanent Representative of Panama to the United Nations addressed to the Secretary-General

I have the honour to address you with reference to the Universal Congress on the Panama Canal which, in accordance with General Assembly resolution 50/12 of 7 November 1995, has been included, as item 28, in the agenda of the fifty-first session.

Based on information provided to me by Mr. Fernando Manfredo, Jr., High Commissioner for Panama and President of the Organizing Commission of the Universal Congress on the Panama Canal, I have pleasure in bringing to your attention certain aspects of the organization of the said Congress which, in my view, supplement the report of the Secretary-General of 8 August 1996 (A/51/281).

The Congress Organizing Commission is continuing preparations, with the collaboration of Panamanian diplomatic missions to the Governments of countries which are users of the Canal and in countries where the major international maritime organizations have their headquarters, with a view to keeping them informed of progress in the planning and organization of Congress.

Following a process of consultation and coordination with sectors having ties to the shipping world, the Panamanian Government, under the coordination of Mr. Olmedo David Miranda, Jr., President of the National Maritime Commission, has formulated a maritime strategy which will be one of the items on the Congress's agenda.

This strategy outlines Panama's policy on maritime matters, with regard to its legal, scientific, economic and environmental aspects, and indicates the principles and purposes that guide the Panamanian State in its efforts to integrate itself in regional and international maritime activities in accordance with domestic legislation and international law.

I am pleased to inform you that General Assembly resolution 50/12 has been warmly welcomed by a large number of Governments and international organizations, both public and private.

I must mention the concrete support which the resident representative of the United Nations in Panama provided by participating in the third Panama 2000 meeting, which was held from 20 to 22 September 1996 in Coronada, Panama, under the chairmanship of Mr. Belisario Betancur, former President of Colombia, who acted as moderator. Participants included political parties, civil society and the national Government, represented by His Excellency Mr. Ricardo Alberto Arias, Minister for Foreign Affairs.

This meeting was one in a series of events which has enjoyed the support of the United Nations Development Programme (UNDP), thereby collaborating with the efforts of the Panamanian Government to ensure that the transition of the Panama Canal is a democratic, transparent and consensual process and in fulfilment of the obligations that Panama will assume in that regard as from 31 December 1999.

On 6 June 1996, at its twenty-sixth session, which was held in Panama City, the General Assembly of the Organization of American States (OAS) adopted resolution AG/RES.1379 (XXVI-O/96) whereby it decided to give its support to the Universal Congress on the Panama Canal and urged the competent bodies, programmes and specialized agencies of the Inter-American Council for Integral Development (CIDI), the Inter-American Program of Action for Environmental Protection and the Inter-American Development Bank to study the possibility of providing assistance, within existing resources, for holding the Universal Congress on the Panama Canal.

At that same plenary meeting on 6 June 1996, the General Assembly of OAS adopted resolution AG/RES.1376 (XXVI-O/96) of that date entitled "The Panama Canal in the 21st century", whereby it welcomed the harmonious transition process in which the Governments of the Republic of Panama and the United States of America were engaged through their diplomatic representatives, the Panama Canal Commission, the Interoceanic Region Authority and the Transition Commission, and resolved, inter alia:

> "1. To note with appreciation the positive actions of the Governments of the United States and Panama to promptly implement the provisions of the Panama Canal Treaty and the Treaty concerning the Permanent Neutrality and Operation of the Panama Canal of 1977, known as the Torrijos-Carter treaties, which ensure the effective exercise of the jurisdiction and sovereignty of Panama over all its territory and which will culminate in the full transfer by the United States to Panama of the Canal and its facilities, in operating condition and free of encumbrances and debt, at noon on December 31, 1999.
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> "2. To reaffirm the importance for the Hemisphere, trade, and world navigation of continuing accessibility of the Panama Canal and sustainable management of the ecosystem of its catchment basin.
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> "3. To call on all nations of the region and the world that have not yet done so to accede to the protocol to the treaty declaring the permanent

neutrality of the Panama Canal, so that at all times it will always remain secure and open to peaceful transit by ships of all nations on terms of complete equality.

"4. To support the efforts of the Panamanian Government and the Panama Canal Commission to continue the modernization of the Panama Canal so that the interoceanic waterway will efficiently serve the increasing needs of sea transport and world commerce and all other exchanges beneficial to humanity."

The Panama Canal Consultative Committee, which was established by article III of the Panama Canal Treaty to advise the United States of America and the Republic of Panama on matters of policy affecting the Canal's operation, has recently taken steps to support and promote the Universal Congress on the Panama Canal. In a resolution bearing the signatures of Mr. Adolfo Ahumada, Co-Chairman, on behalf of the Republic of Panama, and Ambassador Ambler Moss, Co-Chairman, on behalf of the United States of America, the Committee stated "that it is the unanimous policy of the current Board of Directors of the Panama Canal Commission to keep fully informing employees, as well as the local and international public, of preparations by the Panama Canal Commission for a smooth transition of the waterway to Panamanian control, being the Universal Congress of the Panama Canal an exceptional opportunity for achieving this goal."

In that resolution which, by a fortunate historical coincidence, was adopted on yet another anniversary of the discovery by Vasco Núñez de Balboa, in the Isthmus of Panama, on 25 September 1513, of the Pacific Ocean, the Consultative Committee of the Panama Canal, in accordance with General Assembly resolution 50/12 and with resolutions 1376 and 1379 of the General Assembly of OAS, agreed "to recommend to the Governments of Panama and the United States of America to instruct their representatives on the Board of Directors of the Panama Canal Commission to approve a policy of full support to the organization of the Universal Congress on the Panama Canal, in a manner that its budget and legislation permit, in coordination with the Organizing Commission of such Congress".

The Interoceanic Region Authority established by the Government of Panama by Act No. 5 of 25 February 1993, currently under the direction of its Administrator General, Mr. Nicolás Ardito Barletta, former President of the Republic, organized, in a timely fashion, the preparation of the draft regional plan for the development of the interoceanic region which, as stated by the President of the Congress Organizing Commission, contains the regime for ensuring sustainable development so as to guarantee the water resources that the Canal will need to operate, to maintain biodiversity in the woods adjacent to the Canal and to reduce the risks of environmental pollution that might result from operation of the Canal or the ships that use the Canal. These plans will be part of the content of the agenda of the Universal Congress. Participants in the Congress will have an opportunity to see on the spot what infrastructures are available and what will become available as and when the United States of America withdraws its military bases and leaves the military coordination sites in Panama. The said regional plan has already been formulated and is to be discussed and approved by the Legislative Assembly in the near future.

The Interoceanic Region Authority also organized studies on land use and on a strategy for utilization of the military bases. The results of the studies are contained in the draft general land-use plan; the latter provides for zoning in order to guarantee the Panama Canal the areas it requires for its operation and future expansion, and identifies areas where economic activities that contribute to the development of transport and world trade may be established.

Concerning the agenda of the Congress more directly, I feel it is important to inform the Secretary-General that the political constitution of the Republic of Panama provides for the creation of an entity entitled "Panama Canal Authority" which will have sole responsibility for the administration, operation, preservation, maintenance and the modernization of the Panama Canal as from 31 December 1999.

The Transition Commission for the transfer of the Panama Canal, under the coordination and responsibility of Mr. Jorge Eduardo Ritter, Executive Director of the said Commission, has prepared a draft law designed to establish and organize the Panama Canal Authority. By decision of the President of the Republic, this draft law is currently the subject of broad consultations as part of the process leading to its adoption and prior to being considered by the Cabinet Council, then submitted, for approval, to the Legislature and subsequently endorsed and promulgated by the Executive as a law of the Republic, in accordance with the constitutional process.

I believe it is appropriate to point out, as noted in the information transmitted by the President of the Organizing Commission, that, thanks to the negotiations which the President of the Republic of Panama, Mr. Ernesto Pérez Balladares, undertook in accordance with resolution 50/12, during his official visit to Brussels last year, the European Community has agreed to finance Panama Canal transit projections up to the year 2060. The Organizing Commission believes that the study of transit projections is the keystone of the Congress, since the latter will discuss how to update the Canal in the light of foreseeable transit demands and the role that should be played by the nations of the world that benefit from the waterway in order to enable the Canal to deal with the investment needs that these improvements may require since no funds can be recovered while the work is under way. This study, according to that same Commission, will complement the studies on alternatives, costs, finances and environmental impact carried out in 1993 by Panama, the United States and Japan through a Commission to study alternatives to the Panama Canal.

The contribution of the European Union deserves the gratitude of the Panamanian Government, for it is a concrete response to the aspirations expressed in resolution 50/12 to associate the international community to the Universal Congress on the Panama Canal.

I should be grateful if you would have the text of this note circulated as an official document of the General Assembly under item 28 of the agenda of the fifty-first session (A/51/251).

(Signed) Jorge E. ILLUECA
Ambassador
Permanent Representative